



Developments at the DLGF

Timothy J. Rushenberg, Commissioner

March 26, 2009



Who is the DLGF and what does it do?

- Ensures property tax assessment and local government budgeting follow Indiana law.
- Publishes property tax assessment rules.
- Annually reviews and approves tax rates and levies of every political subdivision including all counties, cities, towns, townships, school corporations, libraries and other entities with tax levy authority.
- TOP PRIORITY: ON TIME PROPERTY TAX BILLING – a joint effort with local county officials.



Commissioner

- Oversees the operations of the Department and serves as a member of the Distressed Unit Appeals Board.



Assessment

- Director Barry Wood
 - Phone: 317.232.3762
 - E-mail: bwood@dlgf.in.gov
- Assessment Division Deals with:
 - Adjudications (Personal Property)
 - Equalization (Ratio Studies for the Annual Adjustment process)
 - Mobile Home / Personal Property / Real Property / Agricultural Land / Utility Assessment Questions
 - Abatements – Personal Property
 - Appeal Questions
 - Investment Deduction Questions



Budget

- Director Karen Large
 - Phone: 317.234.3937
 - E-mail: klarge@dlgf.in.gov
- Budget Division Deals with:
 - Annexations
 - Assessed Value Certification Process (AV's)
 - Bonds / Additional Appropriations/ Tax Control Boards
 - Budget certification - Tax Rates and Values / Levies
 - CAGIT / CEDIT/ COIT/ LOIT related questions
 - Provisional Billing
 - TIF / Fire protection territories and districts / other special districts



Communications

- Director Mary Jane Michalak
 - Phone: 317.232.3785
 - E-mail: mmichalak@dlgf.in.gov
- Communication Division Deals with:
 - Taxpayer and legislative inquiries
 - Media
 - Web design and updates
 - Deductions questions
 - Coordination of communications from Department to ensure consistency



Legal

- General Counsel Brian Bailey
 - Phone: 317.234.5720
 - E-mail: bbailey@dlgf.in.gov
- Legal Division Deals with:
 - Administrative Rules
 - Software and Appraiser Contracts
 - Statutory Interpretation and Guidance
 - Legislative Initiatives



Operations and Data Analysis

- Director Jeff Volz
 - Phone: 317.232.3759
 - E-mail: jvolz@dlgf.in.gov
- Operations Division Deals with:
 - Data Compliance / Upload
 - Sales Disclosures
 - Debt / Expenditure Reporting
 - Assists and supports Assessment and Budget
 - Programming
 - Data Analysis



Who is the DLGF and what does it do?

■ Core Values

- Put taxpayers first.
- Respect local control.
- Excellence in all that we do.



Who is the DLGF and what does it do?

■ Core Competencies

1. Know Your Job
2. Work as a Team
3. Serve the Taxpayers
4. Enforce Assessment Standards
5. Make Sure Data Submission Deadlines are Met
6. Ensure Budget Processes are Followed and Levy and Rate Controls Enforced
7. Provide Guidance and Interpret Laws but Respect Local Control



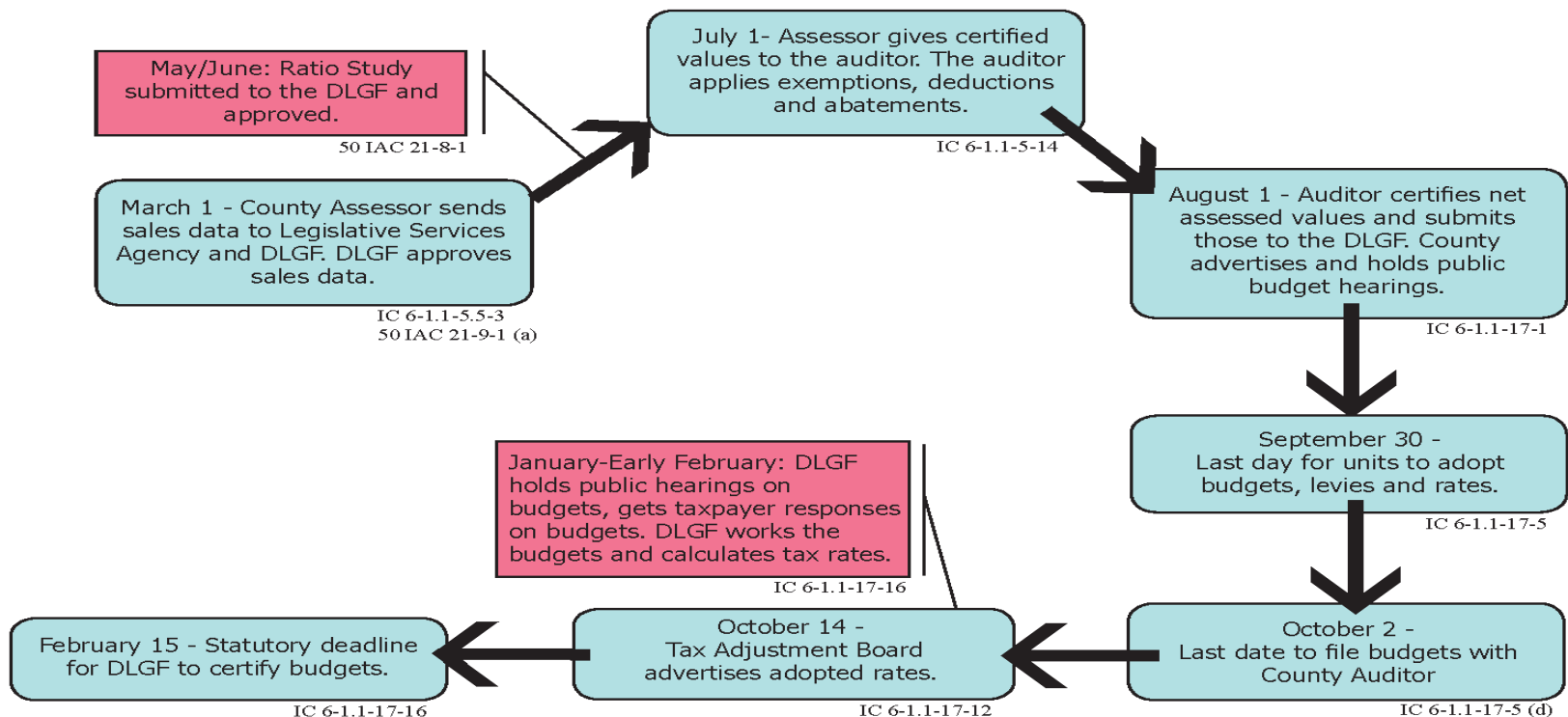
Agency Goals

- Restore on-time property tax billing
 - Proactively assist counties in achieving data compliance
 - Reduce turnaround time for review and approval of ratio studies
 - Reduce turnaround time for budget certification once certified assessed values are received
- Increase professional development of staff
 - Require all staff to become Level I, Level II, and Level III certified
 - Cross-train field representatives with both budget and assessment knowledge
 - Increase amount of and level of data analysis conducted by Department



What is the tax assessment to billing process, and who is involved?

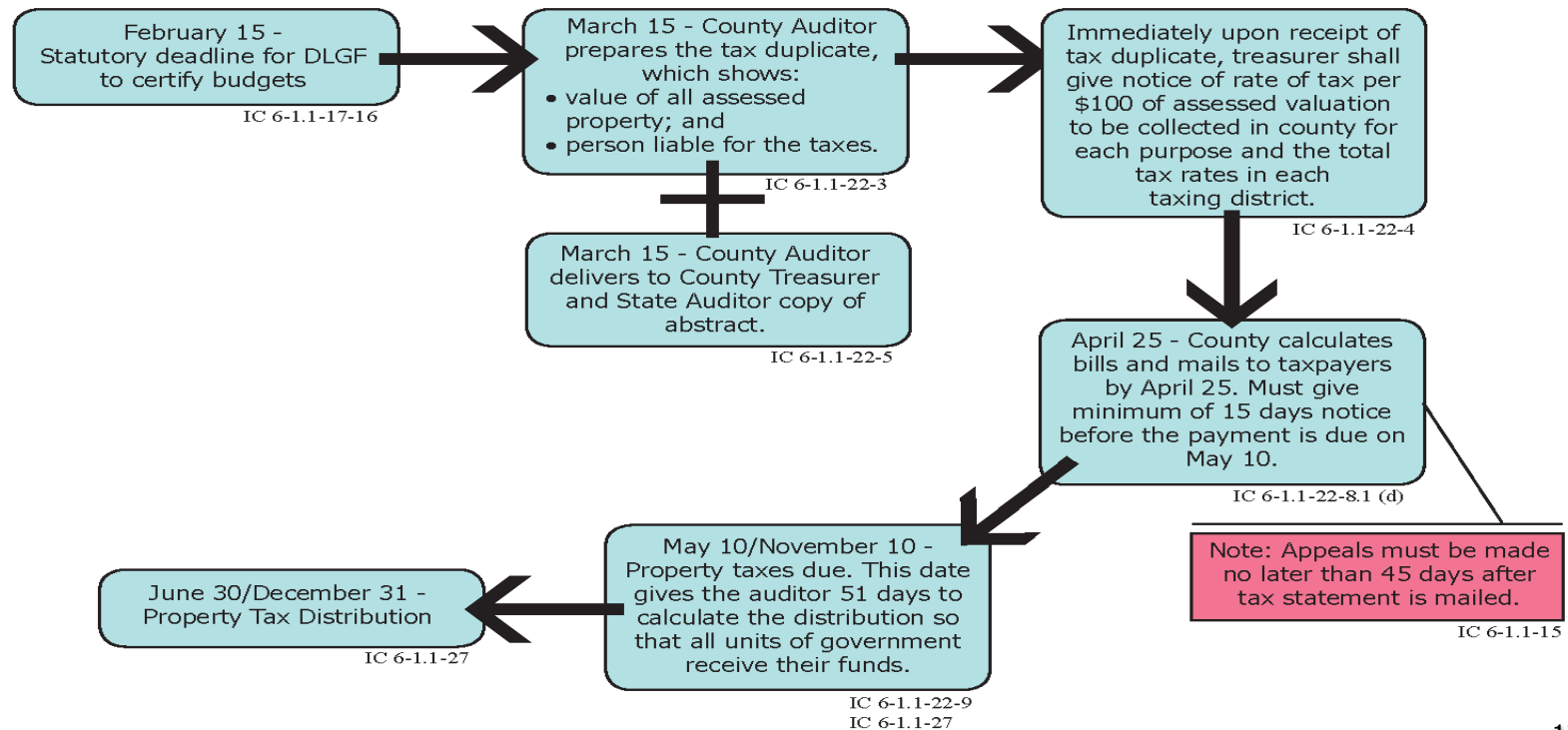
Assessment to Budget Process

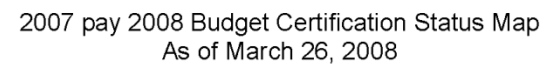




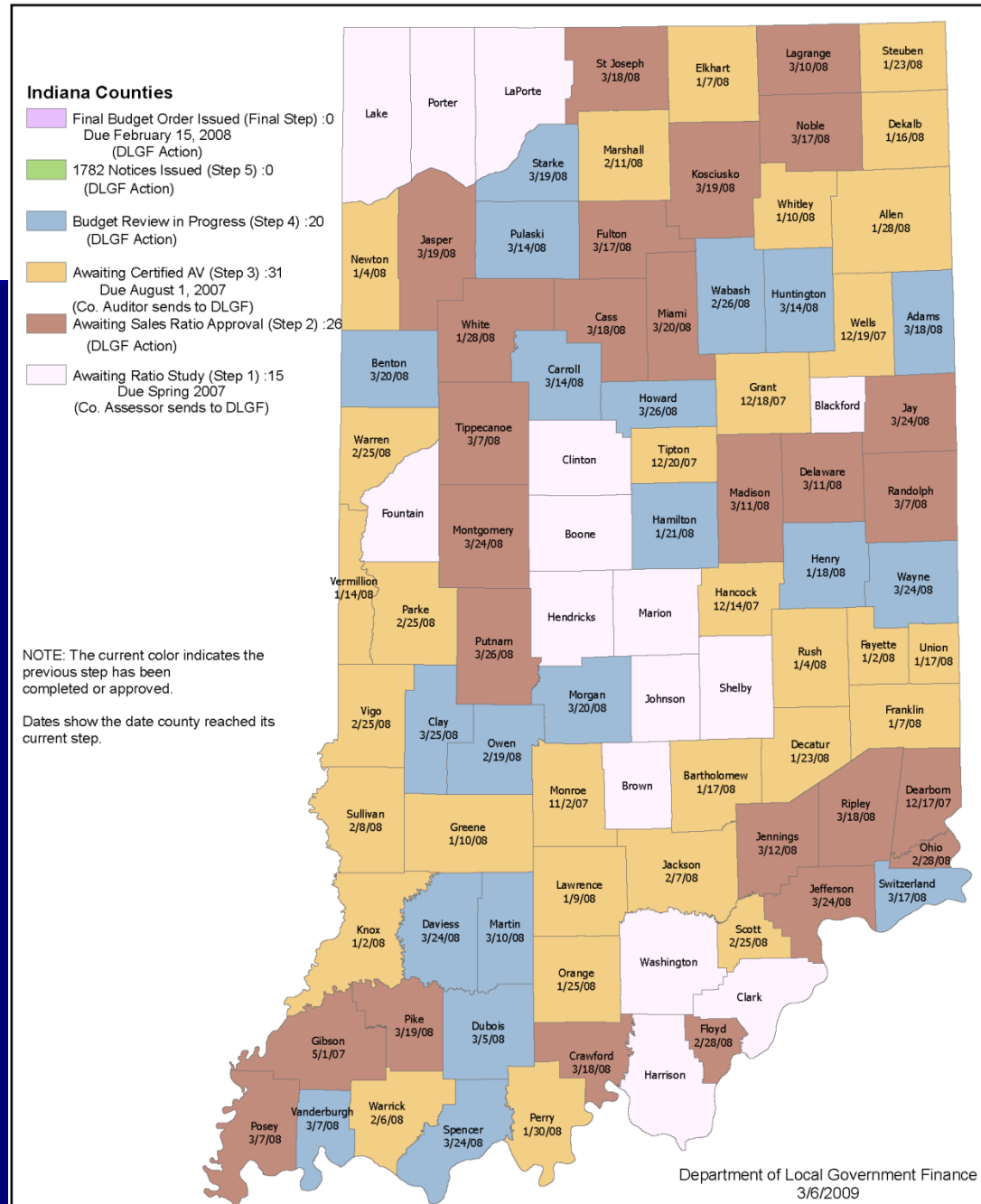
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Budget to Tax Billing Process





Status Maps:
<http://www.in.gov/dlgf/6827.htm>





2008 pay 2009 Budget Certification Status Map

2009 Budget Certification status as of March 25, 2009

Status Maps:

<http://www.in.gov/dlgf/6827.htm>

Indiana Counties

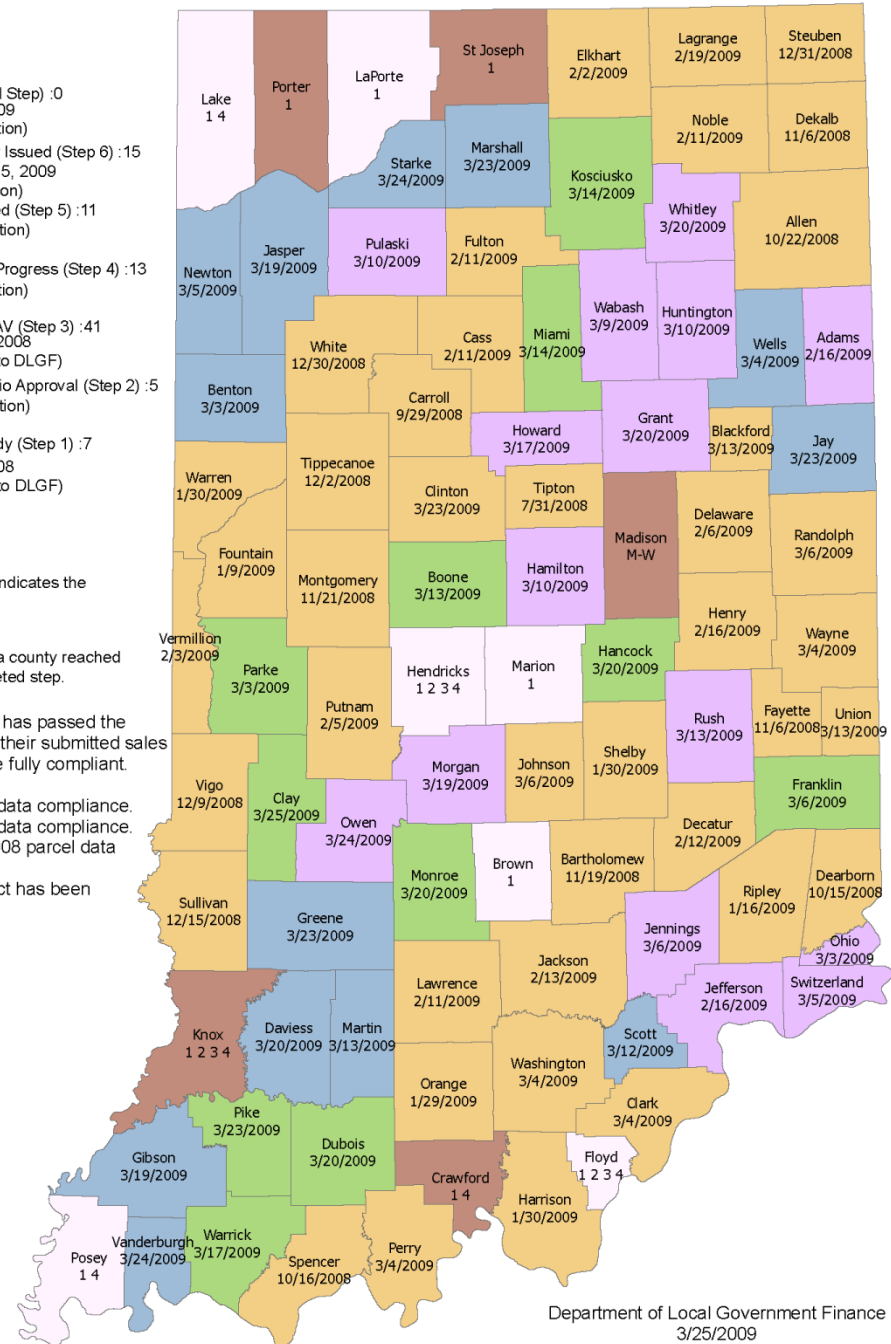
- Tax Bills Due (Final Step) :0
Due May 11, 2009
(Co. Treasurer Action)
- Final Budget Order Issued (Step 6) :15
Due February 15, 2009
(DLGF Action)
- 1782 Notices Issued (Step 5) :11
(DLGF Action)
- Budget Review in Progress (Step 4) :13
(DLGF Action)
- Awaiting Certified AV (Step 3) :41
Due August 1, 2008
(Co. Auditor sends to DLGF)
- Awaiting Sales Ratio Approval (Step 2) :5
(DLGF Action)
- Awaiting Ratio Study (Step 1) :7
Due Spring 2008
(Co. Assessor sends to DLGF)

NOTE: The current color indicates the previous step has been completed or approved.

A date indicates the date a county reached their most recently completed step.

M-W indicates a county has passed the Mann-Whitney test and their submitted sales and parcel data sets are fully compliant.

- 1 indicates 2006 Sales data compliance.
- 2 indicates 2007 Sales data compliance.
- 3 indicates 2007 pay 2008 parcel data compliance.
- 4 indicates 2008 abstract has been completed.





What is reassessment?

Reassessment (IC 6-1.1-4-4(b))

- Assessors physically inspect each property to ensure that records are correct
- Inspection accomplishes the gathering of data appropriate to value the property
 - Does this property still have a free-standing garage and an in-ground pool?
 - Is the building on this property still 1,200 square feet or has it increased/decreased in size?
- Next statewide general reassessment scheduled to begin July 1, 2009 for 2011 pay 2012 tax bills



What is trending?

Trending (*i.e. annual adjustment*)

- Property values are adjusted (the adjustment can be positive or negative) on an annual basis to bring them closer to market value-in-use. The assessing official uses sales of properties in a neighborhood, area, or class of property from the previous two (2) years to determine the adjustment factor.
- In the past, assessed values were adjusted only after a reassessment, which came as far apart as 10 years. Trending now occurs every year.



Reassessment vs. Trending

- Trending was implemented to supplement, not replace, the reassessments, which current law calls for every 5 years.
- Without trending, reassessments resulted in dramatic shifts in assessed values because the values of properties were typically only adjusted during a reassessment year.
- Trending requires the assessor to annually adjust the value of the property based on market value-in-use, which is primarily determined from sales.



How does trending work?

History of Property Valuation Changes

Tax Year	Property Sales														
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
2009 Pay 2010 (4)													2009 Pay 2010		
2008 Pay 2009												2008 Pay 2009			
2007 Pay 2008											2007 Pay 2008				
2006 Pay 2007 (3)										2006 Pay 2007 (3)					
2005 Pay 2006						No Sales from these years used; No change to 2001 Pay 2002 Values									
2004 Pay 2005															
2003 Pay 2004															
2002 Pay 2003 (2)				2002 Pay 2003 (2)											
2001 Pay 2002		Market Value did not apply; no change in values until 2002													
2000 Pay 2001															
1999 Pay 2000															
1998 Pay 1999															
1997 Pay 1998															
1996 Pay 1997															
1995 Pay 1996 (1)	1995 Pay 1996 (1)														

NOTES:

(1) Reassessment

(2) First use of Market Value

(3) First Annual Trending

(4) DLGF to allow the use of one year of sales only



What data is requested from the counties each year, and how is that data used by DLGF and LSA?

Data Requested	Responsible Party	Filing Deadline	Data Use
All Sales Disclosure Data <i>IC 6-1.1-5.5-3; 50 IAC 21-9-1(a)</i>	County Assessor	March 1	To complete annual adjustments, sales ratio studies, equalization, adoption of rules
Tax duplicate information for all real and personal property returns <i>IC 36-2-9-20</i>	County Auditor	March 1	To determine how much property tax actually was billed and to provide a county wide snapshot of property tax billing
Statement certifying the Net Assessed Valuation of the County <i>IC 6-1.1-17-1</i>	County Auditor	August 1	Used in the certification of the county's proposed budgets, rates and levies
Duplicate copies of all approved exemption applications <i>IC 6-1.1-11-8(a)</i>	County Auditor	August 1	Used for the exemption audit report and to provide exemption data to the Indiana General Assembly
All parcel characteristics, parcel assessments, the personal property return characteristics, and assessments <i>IC 6-1.1-4-25(b); 50 IAC 21-9-1(b)</i>	County Assessor	October 1	To complete periodic field surveys and audits, conduct test checks of property valuations, complete coefficient of dispersion studies, and conduct a sales assessment ratio study
Form 15 (Shows the assessed valuation of the different personal property classifications in a particular county.) <i>IC 6-1.1-3-18</i>	County Assessor	October 31	Used for policy decisions and analysis of personal property



Contact The Department

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